## ALASKA STATE LEGISLATURE



## House of Representatives

May 30, 2019

Mr. Tomas H. Boutin CEO/Executive Director, AIDEA 813 W Northern Lights Blvd, Anchorage, AK 99503

Dear Mr. Boutin,

Thank you for responding to our letter. However, we find your response does not sufficiently provide justification for a sole-source, no-bid contract to Mr. Clark Penney and Penney Capital. We would like to provide you another opportunity to answer our question.

As stated in our previous letter, the award of a contract should provide the opportunity for individuals and firms with similar experience to compete to provide their services. This is clearly outlined in Title 3 of the Alaska Administrative Code.

In your May 20, 2019, letter you stated that Mr. Penney "has extensive contacts within and outside Alaska. He holds significant financial management licenses." In your opinion as CEO of AIDEA, please answer the following questions:

- Are there no other contractors in the state with appreciable financial management credentials and "contacts outside Alaska"?
- Why did AIDEA not put the contract out to competitive bid, allowing Mr. Penney to provide his bona fides against competitors?

Please provide AIDEA's answers in the context of 3 AAC 109.490, specifically 3 AAC 109.490(b), which stipulates that a non-competitive procurement method must not be "arbitrary, capricious or prompted by corruption."

We believe this is a matter of public interest and we appreciate your response.

Sincerely,

Representative Zack Fields

Representative Jonathan Kreiss-Tomkins

ce: Julie Anderson, Commissioner, Department of Commerce, Community, and Economic Development